

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
MONTGOMERY COUNTY WATER DISTRICT # 1)	2015-00262

ORDER

On July 20, 2015, Montgomery County Water District # 1 (“Montgomery County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Montgomery County purchases water from the Mt. Sterling Water & Sewer System (“Mt. Sterling”).

2. Mt. Sterling notified Montgomery County that effective August 1, 2015, Mt. Sterling would increase its wholesale rate to Montgomery County from \$2.77 per 1,000 gallons to \$2.85 per 1,000 gallons.² Montgomery County proposed to increase the water rates to its customers effective August 1, 2015, to reflect the increased cost of purchased water.

3. Montgomery County proposed a purchased water adjustment factor of \$0.10 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00385 (Ky. PSC filed June 22, 2015); The tariff was accepted for filing by the Commission by letter dated July 31, 2015.

4. During the 12 months ended May 31, 2015, Montgomery County purchased 42,996,535 gallons of water from Mt. Sterling and sold 34,644,070 gallons. The increase in the cost of purchased water is \$3,439.72, resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.10 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Montgomery County's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after August 1, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.10 per 1,000 gallons is approved.

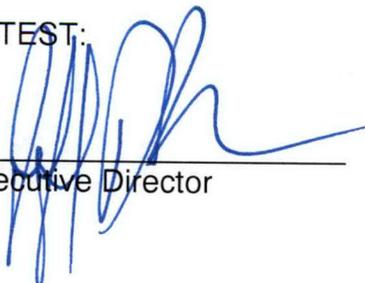
2. Montgomery County's proposed rates, as set forth in Appendix B to this Order, are approved for water service rendered on and after August 1, 2015.

3. Within 20 days of the date of this Order, Montgomery County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED 
AUG 11 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2015-00262 DATED **AUG 11 2015**

	New Rate	Base Rate
Montgomery County Purchases in gallons		
Mt. Sterling	42,996,535	42,996,535
Volumetric rate	<u>\$ 2.85/1,000</u>	<u>\$ 2.77/1,000</u>
	\$122,540.12	\$119,100.40
Increased water cost		\$3,439.72
Increased water cost		\$ 3,439.72
Divided by gallons sold/1,000		<u>34,644,070</u>
Purchased water adjustment factor		\$ 0.09928 per 1,000 gallons
		or \$ 0.10 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00262 DATED **AUG 11 2015**

The following rates and charges are prescribed for the customers in the area served by Montgomery County Water District # 1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 gallons	\$22.85 Minimum Bill
Next	3,000 gallons	7.28 per 1,000 gallons
Next	5,000 gallons	6.56 per 1,000 gallons
Over	10,000 gallons	5.84 per 1,000 gallons
Wholesale Customers		3.09 per 1,000 gallons

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